

To the Members of the California State Senate:

I am returning Senate Bill 1583 without my signature.

Existing law governing the difference between an employee and an independent contractor is confusing to employers. As the Legislature has failed to address this confusion, many employers turn to consultants for help in determining how best to classify individuals for employment purposes. The new liability imposed by this bill will make consultants wary of providing services to businesses, leaving these employers without any guidance in an increasing litigious environment. I encourage the Legislature to focus on addressing the confusion caused by current law, not punishing those trying to create and grow jobs in California.

Sincerely,

Arnold Schwarzenegger